

Exhibit B

**This document prepared by
And return to:**

**Patricia D. Lott
General Counsel
University of West Florida
11000 University Parkway
Pensacola, FL 32514**

**COUNTY OF ESCAMBIA
STATE OF FLORIDA**

EASEMENT AGREEMENT

THIS EASEMENT AGREEMENT is made the ____ day of _____, 2008 by and among the University of West Florida for and on behalf of the University of West Florida Board of Trustees (the “University”), the University of West Florida Foundation, Inc. (“Foundation”) whose address is 11000 University Parkway, Pensacola, FL 32514 (collectively “the Grantors”) and Emerald Coast Utilities Authority whose address is 9255 Sturdevant Street, Pensacola, FL 32514 (the “Authority” or “Grantee”).

WHEREAS, Grantee is a governmental body corporate and politic of the State of Florida, Grantors share in the desire to pursue projects and initiatives beneficial to the local community and its needs; and

WHEREAS, Grantee has determined to construct a pipeline for the transmission of wastewater to its new Water Reclamation Facility (the “WRF”), and the pipeline route, as conceived, must cross certain property owned or controlled by Grantors, commonly referred to the “West Campus”; and

WHEREAS, the proposed route has been sited to minimize impacts to the West Campus, including future development as planned in the University of West Florida 2006-2016 Campus Master Plan Updated in 2007 and scheduled for adoption in 2008 (the “CMP”); and

WHEREAS, Grantee desires to terminate of record an easement for upland sewer irrigation purposes over, upon and across the Grantors parcels, as recorded in O.R. Book 603 at Page 407, as assigned in O.R. Book 3880 at Page 404 of the public records of Escambia County; and

WHEREAS, the CMP identifies a mixed land use for the West Campus that includes not only academic facilities but also a business, technology and research park, together with joint-use development that may result in a West Campus population approaching 4,000 over the course of the next 25 years; and

WHEREAS, the current plans for the West Campus conceptually identify a build-out of approximately 1,300,000 gross square feet of 2 story buildings, excluding roadways, parking lots, and common areas, and including offices, conference rooms, and large open business cubicles to enable technology research and development activities aligned to support the University's academic mission, together with a golf course and affiliated facilities; and

Whereas, future plans for the West Campus areas west of Pate Street contemplate a build-out of an additional approximately 2,000,000 gross square feet.

NOW, THEREFORE, for and in consideration of the mutual benefits and obligations herein set forth, and other good and valuable consideration, the parties agree as follows:

1. Water. The Authority will, at its own cost and expense, plan and construct a water transmission main from a point on the existing Authority transmission/distribution system along the Pate Street corridor adjacent to the West Campus to serve potable water lines necessary to meet the internal needs of the West Campus. Such water transmission main shall be of a size commensurate with the planned development of the West Campus described above. The Authority will immediately act to place a project in its upcoming "2009-2013 Five-Year Capital Improvement Program" ("CIP") with funding in Fiscal Year 2010-2011 for the construction of such water transmission main. The parties mutually understand that construction of infrastructure along Pate Street (as well as issues of vehicular access to various portions of the West Campus) may require cooperation and consent from Gulf Power Company.
2. Wastewater. The Authority will, at its own cost and expense, plan and construct necessary infrastructure to assure that capacity is available in its wastewater collection and treatment system for the acceptance of flows from the future development of the West Campus. Initial flows from the intended development of the West Campus will be accepted through a proposed connection to the Authority collection system at the Authority lift station (LS No. 53 - Greenbriar) located immediately south of the southern portion of the West Campus, and necessary infrastructure will be constructed on a schedule that will assure acceptance of flows no later than July 1, 2009.
3. Progress Meetings. The University's Facilities staff will meet annually, or more frequently as required, with the Authority to advise the Authority as to the progress of its development of the West Campus.
4. Grant of Temporary and Permanent Construction Easements. For and in consideration of the mutual benefits and obligations herein conferred and other good and valuable consideration, Grantors grant, bargain, sell, transfer, and convey unto Grantee, its successors and assigns, a Utility Easement and a Temporary Construction Easement with the right to enter upon, occupy and use the portion of the following described real property owned by Grantors for the purpose of utility lines and facilities and equipment necessary or convenient in connection therewith, together with the right to lay, bury, construct, operate, maintain, dig up and repair such lines, facilities and equipment from time to time, together with all rights and privileges necessary or convenient for full enjoyment and use thereof for the aforesaid purposes, including the right of ingress and egress. The parcels of land upon which the Utility Easement and the Temporary Construction Easement shall be located are described as shown in Exhibits "A" and "B" respectively attached hereto and made a part hereof.

The University, the Foundation and the Authority intend that the University and the Foundation convey to the Authority certain easements and all the above-mentioned rights and privileges pertaining thereto with respect to a certain utility line or lines and to certain necessary related facilities which will be constructed by the Authority. In the event of any discrepancy between the actual location of such line or lines and facilities and the above-mentioned legal description, the actual and necessary location shall control until, and to the extent that, such discrepancy and said legal description shall be deemed as modified so that the property subject to this Easement Agreement shall coincide with the utility line or lines and to certain necessary related facilities, and if necessary the University and the Foundation agree to cooperate in executing such corrective instruments as the Authority may request.

In executing this Easement Agreement the University, the Foundation and the Authority hereby covenant and agree that the above-described property shall not be used for purposes inconsistent with the location, construction, operation and maintenance of utility lines and related facilities. The University and the Foundation, for themselves and for their successors and assigns, hereby covenant and agree that no building or other permanent structure shall be erected over or upon the easement areas. Easily removable improvements, including asphalt, parking lot striping, concrete, gravel, clay, fencing, light posts, landscaping, and lawn irrigation, may be constructed without prior consent of the Authority. The Authority covenants and agrees to pay the cost of any repairs or replacement of such enumerated improvements, as well as site improvements existing at the time of the execution of this Easement Agreement, which may be required as a result of Authority's uncovering any of its utility lines or related facilities or exercising any of the other rights granted herein. University or Foundation, as applicable, agrees to pay the cost of any other repairs or replacements. Should University or Foundation hereafter place or erect any building or other permanent structure over or upon the easement areas, University or Foundation, as applicable, covenants and agrees to pay the cost of any repairs or replacement of such improvements, which may be required as a result of Authority's uncovering any of its utility lines or related facilities or exercising any of the other rights granted herein.

The term of the Utility Easement shall be in perpetuity; provided that if the Utility Easement shall not be used for the purposes herein described, the Utility Easement shall cease, determine and be void. The term of the Temporary Construction Easement shall expire upon the completion of the contract for construction of the pipeline and appurtenances, or four (4) years after the execution of this document, whichever comes first.

5. Termination of Easement. The Authority, the University, and the Foundation hereby terminate and extinguish by mutual agreement the Easement recorded in O. R. Book 603 at Page 407, as assigned to the Authority in O. R. Book 3880 at Page 404 of the public records of Escambia County, Florida. All rights of the Authority under said Easement including but not limited to upland sewer irrigation purposes over, upon, and across the parcels described in the Easement are of no further force or effect. All rights reserved by the City of Pensacola in O. R. Book 3880 at Page 404 of the public records of Escambia County, Florida for stormwater and gas lines remain in full force and effect to the extent such rights are of record. The parties acknowledge that the Authority has not exercised its rights under the Easement for more than a year, and that pursuant to the terms of the Easement, those rights automatically ceased and terminated, and that this termination serves to confirm that termination of record.

IN WITNESS WHEREOF, the below authorized representatives of the University, the Foundation, and the Authority have set their hands this the ____ day of _____, 2008.

WITNESSES:

The University of West Florida

Print _____

By _____
Its _____

Print _____

STATE OF FLORIDA
COUNTY OF ESCAMBIA

The foregoing instrument was acknowledged before me this ____ day of _____, 2008 by _____, the _____ of the University of West Florida, a public university organized under the laws of the State of Florida, on behalf of the institution. He/She is personally known to me or has produced _____ as identification.

Notary Public
My commission expires _____

**University of West Florida Foundation,
Inc.**

Print _____

By _____
Its _____

Print _____

STATE OF FLORIDA
COUNTY OF ESCAMBIA

The foregoing instrument was acknowledged before me this ____ day of _____, 2008 by _____, the _____ of the University of West Florida Foundation, Inc., a corporation not for profit organized under the laws of the State of Florida, on behalf of the corporation. He/She is personally known to me or has produced _____ as identification.

Notary Public
My Commission Expires _____

**EMERALD COAST UTILITIES
AUTHORITY**

Print _____

By _____

Its _____

Print _____

STATE OF FLORIDA
COUNTY OF ESCAMBIA

The foregoing instrument was acknowledged before me this ____ day of _____, 2008 by _____, the _____ of the Emerald Coast Utilities Authority, a governmental body of the State of Florida, on behalf of the corporation. He/She is personally known to me or has produced _____ as identification.

Notary Public

My commission expires _____